

MIAMI UNIVERSITY
SECOND AMENDED DEFERRED COMPENSATION PLAN AND AGREEMENT

THIS SECOND AMENDED DEFERRED COMPENSATION PLAN AND AGREEMENT (the "Plan" or "Agreement") evidences that, subject to the following terms and conditions, on June 17, 2011 (the "Effective Date"), Miami University (the "University"), and David C. Hodge, Ph.D. ("Dr. Hodge"), entered into this Agreement pursuant to which Dr. Hodge and the University agree to defer certain amounts of Dr. Hodge's compensation.

1. **Purpose: Form of Plan and Agreement.** Dr. Hodge is employed by the University as its President. Dr. Hodge and the University entered into an employment agreement, effective July 1, 2008 (the "Employment Agreement"), which provides for the establishment of an ineligible deferred compensation arrangement for Dr Hodge's benefit in accordance with Section 457(f) of the Internal Revenue Code of 1986, as amended (the "Code") and an employment extension agreement to be effective July 1, 2011, which provides for the establishment of an ineligible deferred compensation arrangement for Dr Hodge's benefit in accordance with Section 457(f) of the Internal Revenue Code of 1986, as amended (the "Code"). The University and Dr. Hodge previously entered into a deferred compensation plan and agreement effective June 25, 2010 (the 2010 Deferred Compensation Agreement) providing an unfunded, unsecured, promise to pay certain benefits subject to a substantial risk of forfeiture in accordance with Section 457(f) of the Internal Revenue Code (the "Code"). Dr. Hodge has not yet vested in the amount of deferred compensation to be provided under the 2010 Deferred Compensation Agreement. The University and Dr. Hodge desire to preserve the current vesting schedule under the 2010 Deferred Compensation Agreement and to provide an unfunded, unsecured promise to pay additional benefits after the expiration of such vesting schedule subject to a risk of forfeiture in accordance with Section 457(f) of the Code. Accordingly, the 2010 Deferred Compensation Agreement is hereby terminated and Dr. Hodge shall not become entitled to receive amounts credited to his bookkeeping account under the 2010 Deferred Compensation Agreement. Dr. Hodge's employment as President will not be terminated as a result of the termination of the 2010 Deferred Compensation Agreement.

This Agreement replaces the parties' 2010 Deferred Compensation Agreement. The Plan also is intended to conform to the requirements of Section 409A of the Code and all rules, regulations, and other pronouncements issued there under and shall be construed accordingly. If the Employee Retirement Income Security Act of 1974, as amended, would otherwise be applicable, this Agreement is intended to be exempt from the provisions of Parts 2, 3 and 4 of Subtitle B of Title I thereof as an unfunded plan maintained primarily for the purpose of providing retirement benefits for a select group of management or highly compensated employees.

2. **Account.** The University will maintain a bookkeeping account in Dr. Hodge's name to evidence amounts credited pursuant to Section 3 (the "Account"). The Account will be adjusted upward by amounts credited as provided in Section 3 below, and the Account will be adjusted downward by any amounts distributed in accordance with Sections 5 and 9 and by amounts withheld in accordance with Section 8.

3. **Credits and Other Compensation.** The Account will be credited in accordance with the following schedule ("Schedule A"):

Credit Date	Amount Credited
June 30, 2009	\$ 20,000
June 30, 2010	\$ 50,000
June 30, 2011	\$ 50,000
June 30, 2012	\$ 50,000

Credits shall cease on the earlier of: 1) the termination of Dr. Hodge's employment as President of the University; or 2) following the credit on June 30, 2012.

In addition to the Credits described in the table above, for each fiscal year that Dr. Hodge remains continuously employed with the University as its President, he will be entitled to an additional credit of \$100,000 in accordance with the following schedule ("Schedule B"):

Credit Date	Amount Credited
June 30, 2013	\$ 100,000
June 30, 2014	\$ 100,000
June 30, 2015	\$ 100,000
June 30, 2016	\$ 100,000

4. **Entitlement.** Dr. Hodge, or, in the case of his death, his beneficiary designated in accordance with Section 6 below, shall be entitled to receive an amount equal to the amount credited to his Account as provided below.

a. Dr. Hodge, or in the case of his death, his beneficiary designated in accordance with Section 6 below, shall be entitled to receive an amount equal to the amount credited to his Account if his employment as President of the University terminates due to his death or Permanent Disability (as defined in the Employment Agreement, which such definition is incorporated herein by reference).

b. Unless subparagraph (a) above applies, in general, all amounts in the Account shall be forfeited if Dr. Hodge's employment as President of the University is terminated for any reason before June 30, 2012, unless the Account balance becomes payable in accordance with subparagraphs (c) or (d) below.

c. Notwithstanding any provision of this Plan to the contrary, Dr. Hodge shall be entitled to the full amount credited to the Account as of June 30, 2012, if he continuously serves as President until June 30, 2012.

d. Notwithstanding any provision of this Plan to the contrary, Dr. Hodge shall be entitled to the full amount in the Account, if not previously paid, if he ceases to serve as President before June 30, 2012, or any extended date agreed upon in accordance with paragraph (c) above, due to his resignation as President of the University for Good Reason or his termination of employment as President by the University without Cause (as defined in paragraph 9.b. of the Employment Agreement.) "Good Reason" means a substantial diminution in title, responsibility, or reporting function, or a material breach by the University of the Employment Agreement between Dr. Hodge and the University.

e. Notwithstanding any provision of this Plan to the contrary, Dr. Hodge shall be entitled to the full amount credited to the Account that has not been previously paid on each Credit Date in Schedule B, if he continuously serves as President until such Credit Date.

f. Notwithstanding any provision of this Plan to the contrary, Dr. Hodge shall be entitled to the full amount in the Account, if not previously paid, if he ceases to serve as President after June 30, 2012, due to his resignation as President of the University for Good Reason or his termination of employment as President by the University without Cause (as defined in paragraph 9.b. of the Employment Agreement.) "Good Reason" means a substantial diminution in title, responsibility, or reporting function, or a material breach by the University of the Employment Agreement between Dr. Hodge and the University.

g. Payments under this Agreement shall not be subject to the payment of retirement contributions under the University's sponsored Alternative Retirement Plan.

5. **Payment Terms.** The University sponsors the Supplemental Qualified Retirement Plan ("SQRP"), a tax qualified retirement plan under the Internal Revenue Code of 1986, as amended (the "Code"), and the Supplemental 415(m) Retirement Plan ("415(m) Plan"), a qualified excess benefit plan under Section 415(m) of the Code. If Dr. Hodge, or his beneficiary in the case of his death, becomes entitled to a benefit pursuant to Section 4, the Account balance will be paid to Dr. Hodge's account in the SQRP. If the limits imposed under Section 415(c) of the Code prohibit this contribution from being made to the SQRP, then such contributions shall instead be made to the 415(m) Plan or his beneficiary, as the case may be, in the form of a single lump sum payment, made not more than 90 days after the date on which Dr. Hodge (or his beneficiary) becomes entitled to the amount credited to the Account. The payment will be in the form of cash.

6. **Beneficiary Designation.** Dr. Hodge may designate one or more primary beneficiaries or alternative beneficiaries to receive all or a specified part of his Account after his death and Dr. Hodge may change or revoke any such designation from time to time. If he fails to designate a beneficiary, or revokes a beneficiary designation without naming another beneficiary, or designates one or more beneficiaries none of whom survives Dr. Hodge, for all or any

portion of his Account, such Account or portion will be payable to Dr. Hodge's surviving spouse or, if Dr. Hodge is not survived by a spouse, to the representative of Dr. Hodge's estate.

7. **Administration.** This Plan shall be administered by the University's General Counsel in a manner consistent with the terms and conditions of this Plan, subject to the requirements of Code Section 409A and guidance promulgated there under.

8. **Taxes: Withholding.** To the extent that the University is required to withhold federal, state, local or foreign taxes in connection with any benefit realized by Dr. Hodge or any other person under this Plan, such withholding shall reduce the balance of the Account, or it shall be a condition to the realization of such benefit that Dr. Hodge or such other person make arrangements satisfactory to the University for payment of all such taxes required to be withheld, which arrangements may include Dr. Hodge's delivery to the University of a check equal to the amount of such taxes. Dr. Hodge acknowledges, understands and agrees that amounts deferred hereunder may be subject to federal, state, and local withholding and agrees to any adjustments or reductions in his Account balance that the University might make to meet its withholding obligations under applicable law.

9. **Distribution for Taxes Imposed Under Section 457(f) of the Code.** Notwithstanding any provision of this Plan to the contrary, if Dr. Hodge is ever deemed vested in amounts subject to this Plan for purposes of Section 457(f) of the Code, such that Dr. Hodge is required to pay federal, state, or local taxes on such amounts prior to the time such amounts are distributable under Section 4 of this Plan, Dr. Hodge shall receive a distribution in an amount equal to the federal, state, and local income tax withholding that would have been remitted by the University if there had been a payment of wages equal to the income includible under Section 457(f) of the Code at the time of vesting. Such distribution shall reduce the balance in the Account accordingly.

10. **Distributions for Penalties Imposed Under Section 409 A of the Code.** Notwithstanding any provision of this Plan to the contrary, if, under Section 409A of the Code, Dr. Hodge is ever required to pay the penalty tax imposed by Section 409A(a)(1)(B)(i)(II) of the Code, he shall receive a distribution in an amount equal to the penalty tax and interest imposed. Additionally, the University will pay an amount to Dr. Hodge to compensate Dr. Hodge for all taxes (including federal, state and local income or other taxes) that are incurred as a result of the payment of the penalty tax and interest made pursuant to the previous sentence. The University shall make such distributions to Dr. Hodge no later than 30 days from the date Dr. Hodge is required to remit such penalty tax and interest. Further, such distributions shall not reduce the balance in the Account.

11. **Tax Advice.** The University will not provide tax advice to Dr. Hodge or his beneficiary regarding the tax effects of participation in the Plan, but the University encourages Dr. Hodge and his beneficiary to consult with their own tax advisors concerning the federal, state, and local tax effects of participation in the Plan.

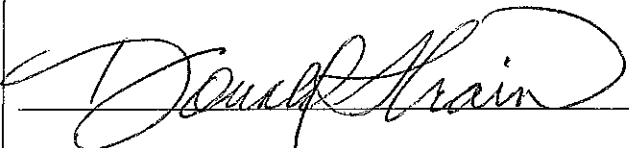
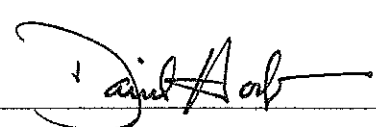
12. **Governing Law.** This Plan shall be governed by and will be determined in accordance with the laws (including those governing contracts) of the State of Ohio (without regard to the choice of law provisions thereof).

13. **Unfunded Status.** The benefit provided pursuant to this Plan is intended to be unfunded for tax purposes and is an ineligible plan within the meaning of Section 457 of the Code, because the benefit is subject to a substantial risk of forfeiture in accordance with Section 457(f) of the Code. The University has no obligation to fund this arrangement. "Contributions" to the Plan are reflected through credits to the Account that are adjusted periodically in accordance with the terms of the Plan. Any assets acquired or accumulated by the University in connection with its liabilities under this Agreement will not be held for the benefit of Dr. Hodge or any beneficiary or as collateral security for the performance of any obligation by the University under this Agreement. Dr. Hodge is entitled to receive from the general assets of the University payments equal to the vested portion of his Account as set forth in Section 4, subject to the terms and conditions of the Plan. All amounts deferred herein shall be subject to the general creditors of the University. In its sole discretion, the University may elect to make contributions to a trust account, which shall in all ways be established and operated as a "grantor" or "rabbi trust" such that all amounts contributed thereto shall not be available to Dr. Hodge until he is otherwise entitled to them under this Plan and such that they remain subject to the general creditors of the University.

14. **Spendthrift Provision.** Except insofar as prohibited by applicable law or allowed by the terms of this Plan, no sale, transfer, alienation, assignment, pledge, collateralization or attachment of benefits under this Plan shall be valid or recognized by the University or Dr. Hodge. Neither Dr. Hodge nor his beneficiary shall have any power to hypothecate, mortgage, commute, modify, or otherwise encumber the amounts in Dr. Hodge's Account prior to the

time when such amounts become distributable under Section 4 of this Plan.

15. **Entire Agreement; Prior Agreements; Amendment.** This Agreement and the Employment Agreement constitute the entire agreement between the parties with respect to the matters set forth herein. This Agreement may be amended only by a writing signed by the University and Dr. Hodge. Notwithstanding the above, the Plan may be amended at any time by the University, retroactively if required, if found necessary, in the opinion of the University, so that that the Plan is characterized as a non-tax-qualified plan of deferred compensation as described under Section 457(f) of the Code, and so that the Plan complies with the requirements of Section 409A of the Code and the guidance promulgated there under.

<p>Miami University</p>  <p>Donald Crain, Chair Miami University Board of Trustees</p>	 <p>David C. Hodge, Ph.D.</p>
<p>Date: <u>June 12, 2011</u></p>	<p>Date: <u>6/17/11</u></p>